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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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ANASTASIA INTERNATIONAL, INC.,

No. 1:11-cv-9091 (JSR)

Plaintiff,

Declaration of Dmitry
Kovtun

- against -

A FOREIGN AFFAIR, LLC and WORLD WIDE
DATA LINK, INC.,

Defendants.

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DMITRY KOVTUN declares as follows.

I am the President of Anastasia International, Inc. I make this declaration in opposition to defendants' motion to dismiss or transfer venue to Arizona. I make this declaration based on my own personal knowledge, based on my participation in the purchase of Anastasia and operations since the purchase, and my review of Anastasia's business records.

1. Anastasia International, Inc. is an international dating service that assists Western men in meeting Russian and Eastern European women via theAnastadiadate.com website. Anastasia also is involved with the Amolatina, AsianBeauties, and AfricaBeauties websites, which assist men in meeting women in Central and South America, Asia and Africa.

2. Anastasia was founded and owned by Elena Sykes. Initially, the business involved the sale by mail of printed catalogs that contained photographs and profiles of Russian women seeking marriage partners in the United States. However, with the rise of the world wide web, Anastasia subcontracted its information technology functions to an information technology subcontractor in Moscow, Russia, and Anastasia moved its operations onto the internet. Prior to

September 1, 2011, Anastasia's business was conducted by employees in the United States and subcontractors located in the Moscow, Russia area. Anastasia's United States operations were handled by approximately five employees located in Bangor, Maine. These employees provided, among other things, sales, customer services and accounting functions for Anastasia. The other functions, primarily operating the various websites and handling relations with female clients of the websites, were contracted out to subcontractors in Moscow.

3. On September 1, 2011 Ms. Sykes sold Anastasia and I became President of Anastasia on October 17, 2011. After the sale, Ms. Sykes formed a new company, Vellacom, LLC, which employed the five prior employees of Anastasia. Vellacom now provides the services previously performed by the employees to Anastasia on a contract basis. At the present time Anastasia does not have any employees located in the United States. All of its functions have been subcontracted to Vellacom in Maine and to subcontractors in the Moscow, Russia area. Anastasia is moving its principal United States office to New York City. To that end, Anastasia registered to do business in New York on November 15, 2011, opened bank accounts in New York, hired corporate counsel, litigation counsel and accountants in New York City, and in December, 2011 leased shared office space at 445 Park Avenue, New York, New York 10022.

4. Most of Anastasia's customers are men located in the United States. Anastasia's business has two components. First, for a fee, customers are introduced to foreign women seeking US husbands through internet means of communication. Second, Anastasia organizes tours and other travel opportunities so its customers can meet interested women throughout the world. Almost all of Anastasia's tours originate at JFK Airport in New York City.

5. Anastasia's United States customers come from over 40 states. The Anastasiadate website derives over \$500,000 in revenue per year from customers located in New York State.

6. Sometime prior to 2011 World Wide created a website “Russian-Women-Forum”, which had a page entitled “Anastasia is Scam and Scumbags” with false information about Anastasia. In approximately September, 2011 defendants added the “Anastasiadate.com” trademark to the Russian-Women-Forum metatag so that the “Anastasia is Scam and Scumbags” page would be returned very high in search engine results. During the fall of 2011 the “Anastasia is Scam and Scumbags” page would be returned second on Google search results just under the real Anastasiadate.com website. The results seriously harmed the business on the Anastasiadate.com website. In the fall of 2011 our business on the Anastasiadate.com website was ten percent less than that expected based on the historical trends of 2009 and 2010. We attribute this loss to the harm caused by defendants. The international dating websites which did not use the Anastasia name – Amolatina, AsianBeauties, and AfricaBeauties – did not experience a similar decline. Anastasia estimates the net revenues from the Anastasiadate.com website declined by at least one million dollars as a result of the defendants’ “Anastasia is Scam and Scumbags” attack. We have requested credit card data for New York State but do not have it as of the date of this declaration. However, I believe the loss rate in New York will be consistent with the total United States loss rate.

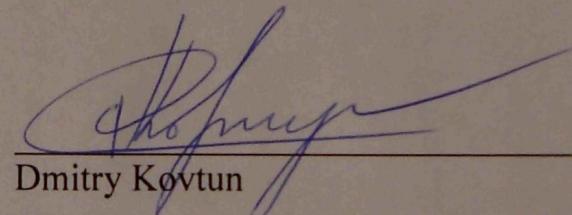
7. Anastasia chose to bring this case in New York City for several reasons. First, it is in the process of moving its principal United States office from Bangor, Maine to New York City. In light of the move, it made no sense to commence this action in Bangor, Maine. Second, New York City is much more convenient for witnesses from both Bangor, Maine and Moscow, Russia than Phoenix, Arizona. There are numerous direct flights from Moscow to JFK Airport. There are no direct flights from Moscow to Phoenix, so travelling to Phoenix essentially requires a stopover and extra day of travel. It is also much easier to travel to New York from Bangor,

Maine than to Phoenix.

8. The principal witnesses for Anastasia will be Elana Sykes, the former President of Anastasia, and me, the current President of Anastasia. Ms. Sykes can testify about the business of Anastasia up to the time she sold it in September, 2011, and I can testify about the business of Anastasia since then. Ms. Sykes resides in Bangor, Maine and I reside in Moscow, Russia. Anastasia will also need to subpoena for deposition the authors of the false, fictional reviews of Anastasia. We do not know where they are located – their locations must be obtained from defendants in discovery.

9. Pursuant to 28 USC 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed this 12 day of March, 2012



Dmitry Kovtun